



CITY OF EAU CLAIRE, WISCONSIN

DEVELOPMENT UPDATES

January 2006

December Building Permit Activity

	Total Permits <u>This Month</u>	<u>Valuation</u>	Same Period <u>Last Year</u>	<u>Valuation</u>	Year-to- <u>Date</u>	<u>Valuation</u>	Last Year- <u>To-Date</u>	<u>Valuation</u>
Residential	3	980,000	4	3,689,000	158	27,216,604	261	45,272,021
Commercial	1	550,000	1	710,000	16	14,725,378	14	13,616,400
Industrial	--	--	--	--	6	3,581,000	9	3,300,650
Other (adj.)	2	278,120	--	--	143	12,682,221	127	1,533,742
Add./Alt.	<u>38</u>	<u>1,731,832</u>	<u>33</u>	<u>2,502,782</u>	<u>852</u>	<u>55,823,715</u>	<u>964</u>	<u>40,487,740</u>
Total	44	3,539,952	38	6,901,782	1,175	114,028,918	1,375	104,210,553
Total Dwelling Units	6		51		236		369	
Total Building Valuation		\$5,246,998		\$8,875,836		\$123,568,137		\$115,746,026

2005 Year in Review

The following article is a summary of development activities in the City of Eau Claire for the 2005 construction season. Figures from previous construction seasons are also provided for comparison purposes. This information is provided to readers of our newsletter so that they may gain a better perspective of development trends in the area. This "2005 Year in Review" article is concluded with our annual "Planners Pics" section, which provides our best guess of what we expect in the 2006 construction season.

Totals

The 2005 construction season had a total building valuation by permits issued of \$123,586,137. The record for total building valuation in a single construction season was set in 2000 with \$175,551,000. Total building valuation for permits issued for each construction season for the last ten years are:

2005 - \$123,586,137	1999 - \$112,124,357
2004 - \$115,455,026	1998 - \$139,979,694
2003 - \$116,926,259	1997 - \$83,856,020
2002 - \$119,365,089	1996 - \$96,900,792
2001 - \$100,461,369	1995 - \$112,060,373
2000 - \$175,551,000	1994 - \$106,983,693

The 2005 construction season saw a decrease in residential development, with \$37.4 million in total building valuation. The 2004 construction season had a total residential valuation of \$55.8 million. Industrial development had a total building valuation of \$31.6 million for the 2005 construction season compared to \$15.1 million in 2004. Commercial and office development had a combined total of \$48.2 million in building valuation in the 2005 construction season. This compares to \$32.8 million in valuation in 2004. Other total valuations included \$6.5 million in valuation for miscellaneous projects in 2005 compared to \$11.7 million in valuation in 2004.

The top 10 building projects by valuation based on building permits issued for the 2005 construction season are the following:

<i>Hutchinson Technology</i>	\$25,000,000
<i>Luther/Mayo (3)</i>	\$12,650,000
<i>Sacred Heart Hospital (2)</i>	\$5,150,000
<i>David Burke</i>	\$2,200,000
<i>Five Star Ventures</i>	\$2,100,000
<i>Cigan Properties</i>	\$1,900,000
<i>Royal Credit Union</i>	\$1,889,710
<i>Interstate Investments LLC</i>	\$1,400,000
<i>McAllen Properties LLC</i>	\$1,120,000
<i>Carmike Cinemas</i>	\$1,048,239

There were a total of 63 non-residential projects with building permits issued in 2005 with valuation over \$100,000. This compares to 61 non-residential permits issued in 2004 over \$100,000 in valuation.

Residential development in the 2005 construction season for single-family dwelling units was a total of 102 homes compared to 188 single-family dwelling units in 2004. A breakdown of the figures for permits issued for single-family, duplex and multi-family units is provided below:

Permits	2005	2004	2003	2002	2001	2000	1999	1998	1997
Single-family	102	188	192	156	170	189	188	174	167
Duplex	14	26	38	62	46	36	44	50	60
Condos	30	48	58	--	--	--	--	--	--
Multi-family	90	107	60	408	267	269	159	207	251
Total Units	236	369	348	628	483	494	391	431	478

Total units are the actual number of dwelling units in all structures. Condo units were split-out from the past reporting category due to the increase in these dwelling types. Condos may be in duplex, 4-plex or other building types. Additions, alterations and repairs to residential development were \$6.2 million in 2005 compared to \$10.4 million in 2004.

The valuation of all single-family homes built in 2005 was \$16.4 million compared to \$28.7 million in 2004. Duplex development totaled \$1.3 million in valuation in 2005, compared to \$2.2 million in 2004. Multi-family development accounted for \$5.8 million in building valuation in 2005, compared to \$6.6 million in 2004. Condo development had a total valuation of \$3.8 million in 2005, compared to \$7.4 million also in 2004. The total valuation for residential accessory and other permits was \$3.8 million for 2005. Overall, the 2005 construction season has an overall building valuation for residential development of \$37.3 million.

A trend, which we continue to monitor for the past decade, is the average cost of a new single-family

dwelling. The average priced single-family home for the past ten years for new construction is provided below:

2005 - \$160,742	1999 - \$134,543
2004 - \$152,645	1998 - \$118,023
2003 - \$151,436	1997 - \$121,986
2002 - \$152,286	1996 - \$113,067
2001 - \$154,721	1995 - \$111,359
2000 - \$139,851	1994 - \$115,298

Another interesting figure to look at is the type of apartments, which make up the 90 multi-family units built in the city in 2005. Of all these units, 6 units are in two 3-plexes, 40 units are in ten 4-plexes, 24 units are in three 8-plexes and 20 units are in two 10-plexes.

Industrial development in 2005 was highlighted by 13 projects for new firms or expansions to existing firms in the community with valuations greater than \$100,000. These projects and their general location are listed below:

Signart, Mondovi Road
County Concrete Corp, Menomonie Street
RM Services, Anderson Drive
Hutchinson Technology (2), Alpine Road
Acquisition Realty, Prairie Lane
R B Scott, Short Street
L & M Mail Service, Truax Boulevard
Documation LLC, International Drive
American Ice, Sunset Drive
West Park Partners, Alpine Road
Spee Dee Delivery, Venture Drive
McAllen Properties LLC, Prairie Lane

Estimated building valuation for new industrial projects started in 2005 is \$3.6 million. This compares to \$3.3 million in building valuation in 2004. Additions, alterations and repairs accounted for \$28 million in building valuation for industrial projects in 2005, compared to \$11.8 million in 2004.

Commercial development for the 2005 construction season saw figures for total building valuation of \$48.2 million compared to \$32.8 million in 2004. New construction accounted for \$21.3 million of this year's figure compared to \$14.6 million in 2004. Additions, alterations, repairs and other permits accounted for \$26.9 million in building valuation in 2005 compared to \$18.2 million in 2004.

The following projects with their locations had building valuations in excess of \$100,000:

Northside Pet Hospital, Western Avenue
Starbucks, S. Hastings Way
Copps Corporation, E. Hamilton Avenue
General Growth, Golf Road
Daniel Acker, E. Clairemont Avenue
Starbucks, Golf Road
Petco Supplies, Gateway Drive
SC of Eau Claire, Keystone Crossing
General Growth Properties, Golf Road
Mega Management, Jeffers Road
S & J Partnership (2), Mall Drive
S B Hotel Group, S. Barstow Street
Cameron 12 LLC, Cameron Street
Farrell Equipment, N. Hastings Way
Menards, S. Hastings Way
Carmike Cinemas, Golf Road
Interstate Investments LLC, Lorch Avenue
Five Star Ventures, Otter Road
David Burke, Lorch Avenue

The following projects with their general locations are the office projects started in 2005 with building valuations of more than \$100,000:

Restoration Properties LLC (3), S. Barstow Street
Scott & Lisa Tenold, Oakwood Hills Pkwy.
US Postal Service, N. Barstow Street
Roger Biegel, Southtowne Drive
Royal Credit Union, Riverfront Terrace
Xcel Energy, W. Hamilton Avenue
Midelfort Clinic, Kenney Avenue
United Bank, Gateway Drive
Chris Hubbel, Brackett Avenue
Acquisition Realty, Keystone Crossing
Mark Held, Oakwood Hills Pkwy.
Royal Credit Union, Hastings Place
Ostertag Orthodontics, Keystone Crossing
Royal Credit Union, Jodi Drive
Cigan Properties, N. Farwell Street
Sacred Heart Hospital (4), W. Clairemont Avenue
Luther/Mayo (3), Whipple Street
Luther/Mayo, Bellinger Street
Luther Hospital, Chestnut Street

Other miscellaneous projects with their general location with building valuations of more than \$100,000 are listed below:

Board of Education, W. MacArthur Avenue
City of Eau Claire, Forest Street
Valleybrook Church, S. Barstow Street
Chippewa Valley Technical College (2), Alpine Road
Chippewa Valley Technical College, W. Clairemont
Pentecostal Assembly, 9th Avenue
City of Eau Claire, S. Farwell Street
Board of Education (2), Starr Avenue
UW-Eau Claire, Garfield Avenue
City of Eau Claire, Riverfront Terrace

Now for the 2006 “Planner’s Pics”

The 2005 construction season could be summarized as downturn for residential development in terms of valuation and number of single-family units. Industrial development saw more projects with higher valuations when compared to the previous year. Commercial development was up for the 2005 construction season in both valuation and number of projects compared to the previous year. We are aware of a number of projects which are likely to start in the 2006 construction season. Here are our best projections based on trends we see in the development industry as to what the 2006 construction season will bring:

- We will expect to see an increase in the number of single-family homes constructed in 2006 when compared to last year’s figure. The 102 homes built last year is well below average for the city for single-family development. The lack of building lots will slow home construction in some areas of the city.
- We would expect to see an increase in multi-family development for the 2006 construction season. The 90 units built in 2005, with 30 condo units is low for the city. Retirement condos and elderly apartment facilities will continue to cause an increase in multi-family development for this area.
- We will expect to see about the same level of commercial activity in 2006 with construction valuations around \$40 million. We are aware of a number of major projects planned for 2006. Areas likely to see development in 2006 include:
 - . N. Clairemont Avenue
 - . London Square area
 - . Downtown
 - . Hwy. 93 Corridor
 - . Oakwood Mall area
- We will expect a higher level in development activity for office and medical facilities for the 2006 construction season. Office development of around \$20 million will likely occur.
- In industrial development, we expect to see a lower level for new construction or additions as compared to 2005; and the valuation of these projects will likely be lower. Valuations of about \$10 million for industrial development are likely.
- Overall, we would expect the 2006 construction season to have the same construction valuations when compared to last year’s figures. We would expect total valuations of about \$120 million for the 2006 construction season for the City of Eau Claire.